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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

**ANNUAL AUDITED REPORT
FORM X-17A-5
PART III**

OMB APPROVAL
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Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING January 1, 2014 AND ENDING December 31, 2014
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: C. A. Botzum & Co

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
453 S Orange Street

OFFICIAL USE ONLY
FIRM I.D. NO.

Orange (City) California (State) 92868 (Zip Code)
(No. and Street)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Charles A Botzum III (714) 973-2300
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Breard & Associates, Inc. Certified Public Accountants

9221 Corbln Avenue, Sulte 170 (Address) Northridge (City) California (State) 91324 (Zip Code)
(Name - if individual, state last, first, middle name)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Handwritten signature

OATH OR AFFIRMATION

I, Charles A Botzum, III, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of C. A. Botzum & Co of December 31, 2014 are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows.

State of California County of Orange Subscribed and sworn to (or affirmed) before me on this 14th day of February, 2015 by [Name] proved to me on the basis of satisfactory evidences to be the person who appeared before me.

Signature: CA Botzum Title: PAs

SEE ATTACHED NOTARY CERTIFICATE

Notary Public

This report ** contains (check all applicable boxes):

- (a) Facing Page. (b) Statement of Financial Condition. (c) Statement of Income (Loss). (d) Statement of Changes in Financial Condition. (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital. (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors. (g) Computation of Net Capital. (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3. (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3. (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3. (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation. (l) An Oath or Affirmation. (m) A copy of the SIPC Supplemental Report. (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

**For conditlons of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

CALIFORNIA JURAT WITH AFFIANT STATEMENT

GOVERNMENT CODE § 8202

- See Attached Document (Notary to cross out lines 1-6 below)
- See Statement Below (Lines 1-6 to be completed only by document signer[s], not Notary)

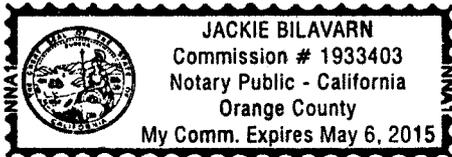
Signature of Document Signer No. 1

Signature of Document Signer No. 2 (if any)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange

Subscribed and sworn to (or affirmed) before me
on this 19th day of February, 2015.
by Charles A Botzum, III
(1) _____
(and (2) _____),
Name(s) of Signer(s)



proved to me on the basis of satisfactory evidence
to be the person(s) who appeared before me.
Signature [Signature]
Signature of Notary Public

Seal
Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document: Annual Audited Report Form X-17A-5
Title or Type of Document: OATH or AFFIRMATION Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: NO OTHER SIGNERS



Report of Independent Registered Public Accounting Firm

Board of Directors
C.A. Botzum & Co.:

We have audited the accompanying statement of financial condition of C.A. Botzum & Co. (the Company) as of December 31, 2014, and the related statements of income, changes in stockholder's equity, and cash flows for the year then ended. These financial statements are the responsibility of C.A. Botzum & Co.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of C.A. Botzum & Co. as of December 31, 2014, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The information contained in Schedules I, II, and III (supplemental information) has been subjected to audit procedures performed in conjunction with the audit of C.A. Botzum & Co.'s financial statements. The supplementary information is the responsibility of C.A. Botzum & Co.'s management. Our audit procedures included determining whether the supplementary information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content is presented in conformity with 17 C.F.R. § 240.17a-5. In our opinion, Schedules I, II and III are fairly stated, in all material respects, in relation to the financial statements as a whole.



Breard & Associates, Inc.
Certified Public Accountants

Northridge, California
March 13, 2015

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II

BROKER OR DEALER

C. A. BOTZUM & CO.

as of 04/30/11

STATEMENT OF FINANCIAL CONDITION

		<u>ASSETS (continued)</u>		
		<u>Allowable</u>	<u>Nonallowable</u>	<u>Total</u>
E. Stocks and warrants	\$	410		
F. Options		420		
G. Arbitrage		422		
H. Other securities		424		
I. Spot Commodities		430		
J. Total inventory - includes encumbered securities of		1,220		1,220
8. Securities owned not readily marketable:				
A. At Cost	\$	130	440	610
9. Other investments not readily marketable:				
A. At estimated fair value		140	450	620
10. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:				
A. Exempted securities		160		
B. Other	\$	160	460	630
11. Secured demand notes - market value of collateral:				
A. Exempted securities	\$	170		
B. Other	\$	249,767	180	210,000
12. Memberships in exchanges:		210,000	470	640
A. Owned, at market value	\$	190		
B. Owned at cost				650
C. Contributed for use of company, at market value				660
13. Investment in and receivables from affiliates, subsidiaries and associated partnerships		480		670
14. Property, furniture, equipment, leasehold improvements and rights under lease agreements:				
At cost (net of accumulated depreciation and amortization)		490		680
15. Other Assets:				
A. Dividends and interest receivable		500		690
B. Free shipments		510		700
C. Loans and advances		520	72,649	710
D. Miscellaneous		530		720
E. Collateral accepted under SFAS 140		102,113	536	
F. SPE Assets		537		
16. TOTAL ASSETS	\$	345,755	72,649	174,762
		540	740	418,404

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II

BROKER OR DEALER
C. A. BOTZUM & CO.

as of **12-31-14**

STATEMENT OF FINANCIAL CONDITION
LIABILITIES AND OWNERSHIP EQUITY

Liabilities	A.I. Liabilities *	Non-A.I. Liabilities *	Total
17. Bank loans payable:			
A. Includable in "Formula for Reserve Requirements"	\$ 1030	\$ 1240	\$ 1460
B. Other	1040	1250	1470
18. Securities sold under repurchase agreements.		1260	1480
19. Payable to brokers or dealers and clearing organizations:			
A. Failed to receive:			
1. Includable in "Formula for Reserve Requirements"	1050	1270	1490
2. Other	1060	1280	1500
B. Securities loaned:			
1. Includable in "Formula for Reserve Requirements"	1070		1510
2. Other	1080	1000	1580
C. Omnibus accounts:			
1. Includable in "Formula for Reserve Requirements"	1090		1530
2. Other	1095	1300	1540
D. Clearing organizations:			
1. Includable in "Formula for Reserve Requirements"	1100		1550
2. Other	1105	1310	1560
E. Other	1110	1320	1570
20. Payable to customers:			
A. Securities accounts - including free credits of \$ 180 950	180 1120		180 1580
B. Commodities accounts	1130	1330	1590
21. Payable to non customers:			
A. Securities accounts	1140	1340	1600
B. Commodities accounts	1150	1350	1610
22. Securities sold not yet purchased at market value - including arbitrage of \$ 960		1360	1620
23. Accounts payable and accrued liabilities and expenses:			
A. Drafts payable	1160		1630
B. Accounts payable	1170		1640
C. Income taxes payable	1180		1650
D. Deferred income taxes		1370	1660
E. Accrued expenses and other liabilities	1190		1670
F. Other	1200	1380	1680
G. Obligation to return securities		1390	1690
H. SPE Liabilities		1387	1687
		27,140.	27,140

OMIT PENNIES

*Brokers or Dealers electing the alternative net capital requirement method need not complete these columns.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II

BROKER OR DEALER

C. A. BOTZUM & CO.

as of

12-31-14

STATEMENT OF FINANCIAL CONDITION
LIABILITIES AND OWNERSHIP EQUITY (continued)

	<u>Liabilities</u>	<u>A.I. Liabilities</u>	<u>Non-A.I. Liabilities</u>	<u>Total</u>
24. Notes and mortgages payable:				
A. Unsecured	\$	1220		1220
B. Secured		1211	\$ 1390	1700
25. Liabilities subordinated to claims of general creditors:				
1. from outsiders			1400	1710
A. Cash borrowings:	\$	0970		
2. Includes equity subordination (15c3-1(d)) of	0990			
B. Securities borrowings, at market value: from outsiders	\$ 0990		1410	1720
C. Pursuant to secured demand note collateral agreements:				
1. from outsiders	\$ 25,000	1000	210,000	210,000
2. Includes equity subordination (15c3-1(d)) of	\$ 185,000	1010		
D. Exchange memberships contributed for use of company, at market value			1430	1740
E. Accounts and other borrowings not qualified for net capital purposes		1420	1770	1790
26. TOTAL LIABILITIES	\$ 180	1230	\$ 237140	1450
Ownership Equity				1760
27. Sole proprietorship				1770
28. Partnership - limited partners	\$	1020		1780
29. Corporation:				
A. Preferred stock				1791
B. Common stock \$1 par value, 500,000 shares authorized, 325,000 shares issued and outstanding			325000	1792
C. Additional paid-in capital			202312	1793
D. Retained Earnings			(346228)	1794
E. Total			181,084	1795
F. Less capital stock in treasury			(1796)	1796
30. TOTAL OWNERSHIP EQUITY			\$ 181,404	1800
31. TOTAL LIABILITIES AND OWNERSHIP EQUITY			\$ 418,404	1810

OMIT PENNIES

* Brokers or Dealers electing the alternative net capital requirement method need not complete these columns.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II

BROKER OR DEALER	For the period (MMDDYY) from	01-01-14	3932	to	12-31-14	3933
C. A. BOTZUM & CO.	Number of months included in this statement					3931

STATEMENT OF INCOME (LOSS)

REVENUE

1. Commissions:			
a. Commissions on transactions in listed equity securities executed on an exchange	\$ 123866	3935	
b. Commissions on transactions in exchange listed equity securities executed over-the-counter		3937	
c. Commissions on listed option transactions		3938	
d. All other securities commissions		3939	
e. Total securities commissions	100,667	3939	
2. Gains or losses on firm securities trading accounts		224,533	3940
a. From market making in over-the-counter equity securities		3941	
1. Includes gains or (losses) OTC market making in exchange listed equity securities	3943		
b. From trading in debt securities		3944	
c. From market making in options on a national securities exchange		3945	
d. From all other trading		3946	
e. Total gains or (losses)		3947	
3. Gains or losses on firm securities investment accounts			3950
a. Includes realized gains (losses)	4235		
b. Includes unrealized gains (losses)	4236		
c. Total realized and unrealized gains (losses)		3952	
4. Profits or losses from underwriting and selling groups			3955
a. Includes underwriting income from corporate equity securities	4237		
5. Margin interest			3960
6. Revenue from sale of investment company shares		235	3970
7. Fees for account supervision, investment advisory and administrative services			3975
8. Revenue from research services			3980
9. Commodities revenue			3990
10. Other revenue related to securities business			3985
11. Other revenue		3018	3995
12. Total revenue		227,786	4030

EXPENSES

13. Registered representatives' compensation		\$ 4110	
14. Clerical and administrative employees' expenses		4040	
15. Salaries and other employment costs for general partners and voting stockholder officers		4120	
a. Includes interest credited to General and Limited Partners capital accounts	4130		
16. Floor brokerage paid to certain brokers (see definition)			4055
17. Commissions and clearance paid to all other brokers (see definition)		38,441	
18. Clearance paid to non-brokers (see definition)			4135
19. Communications		7,167	4060
20. Occupancy and equipment costs			4080
21. Promotional costs		49,069	4100
22. Interest expense		31,727	4150
a. Includes interest on accounts subject to subordination agreements	2100	4070	4075
23. Losses in error account and bad debts			4170
24. Data processing costs (including service bureau service charges)			4186
25. Non-recurring charges		44728	4190
26. Regulatory fees and expenses		3218	4195
27. Other expenses		44,772	4200
28. Total expenses		221,223	4200

NET INCOME

29. Income (loss) before Federal income taxes and items below (Item 12 less Item 28)		\$ 6563	4210
30. Provision for Federal income taxes (for parent only)			4220
31. Equity in earnings (losses) of unconsolidated subsidiaries not included above			4222
a. After Federal income taxes of	4238		
32. Extraordinary gains (losses)			4224
a. After Federal income taxes of	4239		
33. Cumulative effect of changes in accounting principles			4225
34. Net income (loss) after Federal Income taxes and extraordinary items		\$ 6563	4230

MONTHLY INCOME

35. Income (current month only) before provision for Federal income taxes and extraordinary items		\$ 149	4211
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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
Capital Withdrawals
PART II

BROKER OR DEALER

C. A. BOTZUM & CO.

as of 012013-14

RECAP

Ownership Equity and Subordinated Liabilities maturing or proposed to be withdrawn within the next six months and accruals, which have not been deducted in the computation of Net Capital.

1. Equity Capital

A. Partnership Capital:		
1. General Partners	\$	4700
2. Limited		4710
3. Undistributed Profits		4720
4. Other (describe below)		4730
5. Sole Proprietorship		4735
B. Corporation Capital:		
1. Common Stock		4740
2. Preferred Stock		4750
3. Retained Earnings (Dividends and Other)		4760
4. Other (describe below)		4770

2. Subordinated Liabilities

A. Secured Demand Notes		4780
B. Cash Subordinations		4790
C. Debentures		4800
D. Other (describe below)		4810

3. Other Anticipated Withdrawals

A. Bonuses		4820
B. Voluntary Contributions to Pension or Profit Sharing Plans		4860
C. Other (describe below)		4870

Total \$ 4880

4. Description of Other

STATEMENT OF CHANGES IN OWNERSHIP EQUITY
(SOLE PROPRIETORSHIP, PARTNERSHIP OR CORPORATION)

1. Balance, beginning of period	\$	174,521	4240
A. Net income (loss)		6563	4250
B. Additions (Includes non-conforming capital of	\$	4262)	4260
C. Deductions (Includes non-conforming capital of	\$	4272)	4270
2. Balance, end of period (From item 1B00)	\$	180,084	4290

STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED
TO CLAIMS OF GENERAL CREDITORS

3. Balance, beginning of period	\$	210,000	4300
A. Increases			4310
B. Decreases			4320
4. Balance, end of period (From item 3520)	\$	210,000	4330

Cash Recon 12-31-13 1366
Decrease -674
Cash 12-31-14 692

Reserve 12-31-13 200.00
Increase 2800
Reserve 12-31-14 3000

OMIT PENNIES

SDN Note 1 \$185,000.00 Due 12-31-2020 With Rollover N/O Charles A Botzum III
SDN Note 2 \$ 25,000.00 Due 12-31-2018 (2017) N/O William T Botzum

C.A. Botzum & Co.
Notes to Financial Statements
December 31, 2013

Note 1: GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

C.A. Botzum & Co. (the "Company") was incorporated in California on April 20, 1961, and operates as a registered broker/dealer in securities under the provision of the Securities Exchange Act of 1934. The Company is engaged in the buying and selling of securities for public customer accounts and also performs limited proprietary trading. The Company is a member of the Financial Industry Regulatory Authority ("FINRA"), the Securities Investor Protection Corporation ("SIPC") and the Municipal Securities Rulemaking Board ("MSRB").

The Company holds securities for approximately twenty clients. The majority of the clients are in Southern California. No one client represents an undue concentration of risk to the Company.

The Company is engaged in business as a securities broker-dealer, that provides several classes of services, including the buying and selling of securities for public customer accounts and also performs limited proprietary trading.

Summary of Significant Accounting Policies

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

The Company has fully depreciated furniture and equipment of \$21,879. Furniture and equipment has been depreciated over the estimated useful lives of the related assets. Depreciation was computed using the straight-line method for both financial statement and income tax purposes.

Securities transactions are recorded on a trade date basis with related commission income and expenses also recorded on a trade date basis.

C.A. Botzum & Co.
Notes to Financial Statements
December 31, 2014

Note 1: GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

The Company has adopted FASB ASC 320, Investments — Debt and Equity Securities. As such, marketable securities held by the Company are classified as trading securities and stated at their fair market value based on quoted market prices. Realized gains or losses from the sale of marketable securities are computed based on specific identification of historical cost. Unrealized gains or losses on marketable securities are computed based on specific identification of recorded cost, with the change in fair value during the period included in income.

The Company accounts for its income taxes in accordance with FASB ASC 740, Income Taxes. This standard requires the establishment of a deferred tax asset or liability to recognize the future tax effects of transactions that have not been recognized for tax purposes, including taxable and deductible temporary differences as well as net operating loss and tax credit carryforwards. Deferred tax expenses or benefits are recognized as a result of changes in the tax basis of an asset or liability when measured against its reported amount in the financial statements.

Current income taxes are provided for estimated taxes payable or refundable based on tax returns. Deferred income taxes are recognized for the estimated future tax effects attributable to temporary differences in the basis of assets and liabilities for financial and tax reporting purposes. Measurement of current and deferred tax assets and liabilities is based on provisions of enacted federal and state tax laws.

Note 2: CASH SEGREGATED UNDER FEDERAL AND OTHER REGULATIONS

Cash of ~~\$000~~ has been segregated in a special reserve bank account for the benefit of customers under rule 15c3-3 of the Securities and Exchange Commission (See Schedule II).

Note 3: DEPOSIT WITH CLEARING ORGANIZATION

The Company has a brokerage agreement with Legent Clearing, Inc. ("Clearing Broker") to carry its account and the accounts of its clients as customers of the Clearing Broker. The Clearing Broker has custody of the Company's cash balances which serve as collateral for any amounts due to the Clearing Broker as well as collateral for securities sold short or securities purchased on margin. Interest is paid monthly on these cash deposits at the average overnight repurchase rate. The balance at December 31, 2014 was \$7,500.

C.A. Botzum & Co.
Notes to Financial Statements
December 31, 2014

Note 4: INCOME TAXES

The provision for income tax expense (benefit) is composed of the following:

	Current
Federal	\$ -
State	800
Total income tax expense (benefit)	<u>\$ 800</u>

The Company has available at December 31, 2014 unused operating loss carry-forwards, which may be applied against future taxable income, resulting in a deferred tax asset of approximately \$6,016 that expires as follows:

\$ 11,069	2020
7,086	2023
5,324	2025
9,962	2029
<u>6,667</u>	2032
<u>\$ 40,108</u>	

A 100% valuation allowance was established against this asset since management cannot determine if it is more likely than not that the asset will be realized.

The Company is required to file income tax returns in both federal and state tax jurisdictions. The Company's tax returns are subject to examination by taxing authorities in the jurisdictions in which it operates in accordance with the normal statutes of limitations in the applicable jurisdiction. For federal purposes, the statute of limitations is three years. Accordingly, the company is no longer subject to examination of federal returns filed more than three years prior to the date of these financial statements. The statute of limitations for state purposes is generally three years, but may exceed this limitation depending upon the jurisdiction involved. Returns that were filed within the applicable statute remain subject to examination. As of December 31, 2014, the IRS has not proposed any adjustment to the Company's tax position.

C.A. Botzum & Co.
Notes to Financial Statements
December 31, 2014

Note 5: CASH SURRENDER VALUE LIFE INSURANCE

For the year ended December 31, 2014, the Company included \$3,048 as other income for the increase in the cash surrender value of the life insurance policy for which the Company is the beneficiary. The face value of the underlying life insurance policy, was \$200,000 and the cash surrender value of the policy was \$99,095 at December 31, 2014.

102,113

Note 6: OCCUPANCY AND EQUIPMENT RENTAL

Current year occupancy expense is attributable to office and storage rent in the amount of \$42,864. This amount is paid to the officers of the Company for the rental of the office space.

Note 7: RELATED PARTY TRANSACTIONS

During the year, the Company conducted certain transactions with its shareholders, resulting in advances to shareholders of \$72,649 at December 31, 2014. These advances are non-interest bearing, uncollateralized and due on demand. It is possible that the terms of certain of the related-party transaction are not the same as those that would result from transactions among wholly unrelated parties.

Note 8: SUBORDINATED LIABILITIES

The borrowings under subordination agreements at December 31, 2014 are listed below. Liabilities subordinated to secured demand note collateral agreements are:

Interest at 1% due December 31, 2016	\$ 185,000
Interest at 1% due November 1, 2017	<u>25,000</u>
Total secured demand note	<u>\$ 210,000</u>

Pursuant to the subordinated loan agreement approved by FINRA, the secured demand note would be suspended and shall not mature if the net capital requirement would be less than 120% of the required net capital. There are also other requirements pursuant to SEC Rule 15c3-1(b). The subordinated borrowings are covered by agreements approved by the Financial Industry Regulatory Authority and are thus available in computing net capital under the Securities and Exchange Commission's uniform net capital rule. To the extent that such borrowings are required for the Company's continued compliance with minimum net capital requirements, they may not be repaid.

C.A. Botzum & Co.
Notes to Financial Statements
December 31, 2014

Note 8: SUBORDINATED LIABILITIES

(Continued)

The secured demand notes of \$210,000 are collateralized by marketable securities and municipal bonds valued, net of haircuts, at \$235,170 on December 31, 2014. The municipal bonds are valued at market value, and not fair market value, which may create some liquidity issues. The collateral securing the demand note is as follows:

<u>Description</u>	<u>Fair Market Value</u>	<u>Value Net of Haircut</u>
Municipal obligations	\$ 260,228 253,883	\$ 230,445 235,170

Note 9: CONCENTRATIONS OF CREDIT RISK

The Company is engaged in various trading and brokerage activities in which counter-parties primarily include broker-dealers, banks, and other financial institutions. In the event counter-parties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counter-party or issuer of the instrument. It is the Company's policy to review, as necessary, the credit standing of each counter-party.

Note 10: COMMITMENTS AND CONTINGENCIES

Commitments

The Company has evaluated events subsequent to the balance sheet date for items requiring recording or disclosure in the financial statements. The evaluation was performed through the date the financial statements were available to be issued. Based upon this review, the Company has determined that there were no events which took place that would have a material impact on its financial statements.

C.A. Botzum & Co.
Notes to Financial Statements
December 31, 2014

Note 11: RECENTLY ISSUED ACCOUNTING STANDARDS

The Financial Accounting Standards Board (the "FASB") has established the Accounting Standards Codification ("Codification" or "ASC") as the authoritative source of generally accepted accounting principles ("GAAP") recognized by the FASB. The principles embodied in the Codification are to be applied by nongovernmental entities in the preparation of financial statements in accordance with GAAP in the United States. New accounting pronouncements are incorporated into the ASC through the issuance of Accounting Standards Updates ("ASUs")

For the year ending December 31, 2014, various ASUs issued by the FASB were either newly issued or had effective implementation dates that would require their provisions to be reflected in the financial statements for the year then ended. The Company has reviewed the following ASU releases to determine relevance to the Company's operations:

<u>ASU No.</u>	<u>Title</u>	<u>Effective Date</u>
2011-05	Comprehensive Income (Topic 220): Presentation of Comprehensive Income (June 2011).	After December 15, 2011
2011-11	Balance Sheet (Topic 210): Disclosures about Offsetting Assets and Liabilities (December 2011).	After January 1, 2013
2011-12	Comprehensive Income (Topic 220): Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05 (December 2011)	After December 15, 2011
2013-02	Comprehensive Income (Topic 220): Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income (February 2013)	After December 15, 2013
2013-11	Income Taxes (Topic 740): Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists (July 2013).	After December 15, 2013

C.A. Botzum & Co.
Notes to Financial Statements
December 31, 2014

Note 11: RECENTLY ISSUED ACCOUNTING STANDARDS

(Continued)

The Company has either evaluated or is currently evaluating the implications, if any, of each of these pronouncements and the possible impact they may have on the Company's financial statements. In most cases, management has determined that the pronouncement has either limited or no application to the company and, in all cases, implementation would not have a material impact on the financial statements taken as a whole.

Note 12: NET CAPITAL REQUIREMENTS

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. Rule 15c3-1 also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. Net capital and aggregate indebtedness change day to day, but on December 31, 2014, the Company had net capital of \$318,475 which was \$68,475 in excess of its required net capital of \$250,000; and the Company's ratio of aggregate indebtedness (\$50,988) to net capital was 0.0159, which is less than the 15 to 1 maximum allowed.

Schedule I

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART II

BROKER OR DEALER

C. A. BOTZUM & CO.

as of **12/31-14**

COMPUTATION OF NET CAPITAL

1. Total ownership equity (from Statement of Financial Condition - Item 1800)	\$	181,404	(3480)
2. Deduct: Ownership equity not allowable for Net Capital			(3490)
3. Total ownership equity qualified for Net Capital			(3500)
4. Add:			
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital		210,000	(3520)
B. Other (deductions) or allowable credits (List)			(3525)
5. Total capital and allowable subordinated liabilities	\$	391,084	(3530)
6. Deductions and/or charges:			
A. Total non-allowable assets from			
Statement of Financial Condition (Notes B and C)	\$	72,649	(3540)
1. Additional charges for customers' and non-customers' security accounts			(3550)
2. Additional charges for customers' and non-customers' commodity accounts			(3560)
B. Aged fail-to-deliver:			(3570)
1. number of items		(2470)	
C. Aged short security differences-less reserve of	\$	(3460)	(3580)
number of items		(2470)	
D. Secured demand note deficiency			(3590)
E. Commodity futures contracts and spot commodities - proprietary capital charges			(3600)
F. Other deductions and/or charges			(3610)
G. Deductions for accounts carried under Rule 15c3-1(a)(6), (a)(7) and (a)(2)(v)			(3615)
H. Total deductions and/or charges			(72,649) (3620)
7. Other additions and/or allowable credits (List)			(3630)
8. Net Capital before haircuts on securities positions	\$	318,435	(3640)
9. Haircuts on securities: (computed, where applicable, pursuant to 15c3-1(f)):			
A. Contractual securities commitments	\$		(3660)
B. Subordinated securities borrowings			(3670)
C. Trading and investment securities:			
1. Bankers' acceptances, certificates of deposit and commercial paper			(3680)
2. U.S. and Canadian government obligations			(3690)
3. State and municipal government obligations			(3700)
4. Corporate obligations			(3710)
5. Stocks and warrants			(3720)
6. Options			(3730)
7. Arbitrage			(3732)
8. Other securities			(3734)
D. Undue concentration			(3650)
E. Other (List)			(3736) (3740)
10. Net Capital	\$	318,435	(3750)

OMIT PENNIES

There was no material difference between net capital computation shown here and the net capital computation shown on the Company's unaudited Form X-17A-5 report dated December 31, 2014.

Schedule I Continued

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART II

BROKER OR DEALER
C. A. EOTZUM & CO.

as of **12031-14**

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Part A			
11. Minimal net capital required (6-2/3% of line 19)	\$	0	3756
12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$	250,000	3758
13. Net capital requirement (greater of line 11 or 12)	\$	250,000	3760
14. Excess net capital (line 10 less 13)	\$	68,435	3770
15. Net capital less greater of 10% of line 19 or 120% of line 12	\$	18,435	3780

COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition	\$		3790
17. Add:			
A. Drafts for immediate credit	\$	3800	
B. Market value of securities borrowed for which no equivalent value is paid or credited	\$	3810	
C. Other unrecorded amounts (line 1)	\$	3820	
18. Deduct: Adjustment based on deposits in Special Reserve Bank Accounts (15c3-1(c)(1)(vii))	\$	180	3838
19. Total aggregate indebtedness	\$	0	3840
20. Percentage of aggregate indebtedness to net capital (line 19 divided by line 10)	%	0	3850
21. Percentage of aggregate indebtedness to net capital after anticipated capital withdrawals (line 19 divided by line 10 less item 4880 page 12)	%	0	3853

COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT

Part B			
22. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of net capital computation including both brokers or dealers and consolidated subsidiaries' debits	\$		3870
23. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note(A)	\$		3880
24. Net capital requirement (greater of line 22 or 23)	\$		
25. Excess net capital (line 10 less 24)	\$		3890
26. Percentage of Net Capital to Aggregate Debts (line 10 divided by line 17 page 8)	%		3851
27. Percentage of Net Capital, after anticipated capital withdrawals, to Aggregate Debts (line 10 less Item 4880 page 12 divided by line 17 page 8)	%		3854
28. Net capital in excess of the greater of: 5% of combined aggregate debit items or 120% of minimum net capital requirement	\$		3920

OTHER RATIOS

Part C			
29. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1 (d)	%	6.39	3860
30. Options deductions/Net Capital ratio (1000% test) total deductions exclusive of liquidating equity under Rule 15c3-1(a)(6), (a)(7) and (c)(2)(A) divided by Net Capital	%		3862

NOTES:

- (A) The minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker-dealer and, for each subsidiary to be consolidated, the greater of:
1. Minimum dollar net capital requirement, or
 2. 6-2/3% of aggregate indebtedness or 2% of aggregate debits if alternate method is used.
- (B) Do not deduct the value of securities borrowed under subordination agreements or secured demand notes covered by subordination agreements not in satisfactory form and the market values of memberships in exchanges contributed for use of company (contra to item 1740) and partners' securities which were included in non-allowable assets.
- (C) For reports filed pursuant to paragraph (d) of Rule 17a-5, respondent should provide a list of material non-allowable assets.

Schedule II

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART II

BROKER OR DEALER

C. A. BOTZUM & CO.

as of 12-31-14

COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS FOR BROKER-DEALERS UNDER RULE 15c3-3 (See Rule 15c3-3, Exhibit A and Related Notes)

CREDIT BALANCES

1. Free credit balances and other credit balances in customers' security accounts (see Note A, Exhibit A, Rule 15c3-3)	\$ 180	4340
2. Monies borrowed collateralized by securities carried for the accounts of customers (see Note B)		4350
3. Monies payable against customers' securities loaned (see Note C)		4360
4. Customers' securities failed to receive (see Note D)		4370
5. Credit balances in firm accounts which are attributable to principal sales to customers		4380
6. Market value of stock dividends, stock splits and similar distributions receivable outstanding over 30 calendar days		4390
7. ** Market value of short security count differences over 30 calendar days old		4400
8. ** Market value of short securities and credits (not to be offset by longs or by debits) in all suspense accounts over 30 calendar days		4410
9. Market value of securities which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days		4420
10. Other (List)		4425
11. TOTAL CREDITS	180	4430

DEBIT BALANCES

12. ** Debit balances in customers' cash and margin accounts excluding unsecured accounts and accounts doubtful of collection net of deductions pursuant to Note E, Exhibit A, Rule 15c3-3	\$	4440
13. Securities borrowed to effectuate short sales by customers and securities borrowed to make delivery on customers' securities failed to deliver		4450
14. Failed to deliver of customers' securities not older than 30 calendar days		4460
15. Margin required and on deposit with the Options Clearing Corporation for all option contracts written or purchased in customer accounts (see Note F)	20,316.	4465
16. Margin related to security futures products written, purchased or sold in customer accounts required and on deposit with a clearing agency or a derivative clearing organization (see note G)		4467
17. Other (List)		4469
18. ** Aggregate debit items		4470
19. ** Less 3% (for alternative method only - see Rule 15c3-1(f)(5)(i))		4471
20. ** TOTAL 15c3-3 DEBITS		4472

RESERVE COMPUTATION

21. Excess of total debits over total credits (line 20 less line 11)	\$	20,136	4480
22. Excess of total credits over total debits (line 11 less line 20)		20,136	4490
23. If computation permitted on a monthly basis, enter 105% of excess of total credits over total debits			4500
24. Amount held on deposit in "Reserve Bank Account(s)", including value of qualified securities, at end of reporting period			4510
25. Amount of deposit (or withdrawal) including		3000	4520
\$ 4515 value of qualified securities			4520
26. New amount in Reserve Bank Account(s) after adding deposit or subtracting withdrawal including			4530
\$ 4525 value of qualified securities		3000	4540
27. Date of deposit (MMDDYY)			4540

FREQUENCY OF COMPUTATION

28. Daily 4332 Weekly 4333 Monthly XXXXX 4334

OMIT PENNIES

** In the event the Net Capital Requirement is computed under the alternative method, this "Reserve Formula" shall be prepared in accordance with the requirements of paragraph (f) of Rule 15c3-1.

There was no material difference between the reserve requirement computation shown here and the reserve requirement computation shown on the Company's unaudited Form X-17A-5 report dated December 31, 2014.

C.A. Botzum & Co.
Schedule III - Information relating to Possession or Control
Requirements Pursuant to Rule 15c3-3
As of December 31, 2014

The Company is a self-clearing firm and is subject to the possession or control requirements under rule 15c3-3 of the Securities and Exchange Commission. The Company is in compliance with these requirements and there were no instances noted during our audit of securities that were required to be in possession or control that had not been reduced to possession or control in the proper time frame.

See independent auditor's report

C.A. Botzum & Co.
Report on Compliance
Report Pursuant to Provisions of 17 C.F.R. § 15c3-1 and 15c3-3(e)
For the Year Ended December 31, 2014

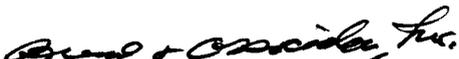


Report of Independent Registered Public Accounting Firm

We have examined C.A. Botzum & Co.'s statements, included in the accompanying Assertions Regarding Compliance, that (1) C.A. Botzum & Co.'s internal control over compliance was effective during the most recent fiscal year ending December 31, 2014; (2) C.A. Botzum & Co.'s internal control over compliance was effective as of December 31, 2014; (3) C.A. Botzum & Co.'s was in compliance with 17 C.F.R. §§ 240.15c3-1 and 240.15c3-3(e) as of December 31, 2014; and (4) the information used to state that C.A. Botzum & Co. was in compliance with 17 C.F.R. §§ 240.15c3-1 and 240.15c3-3(e) was derived from C.A. Botzum & Co. books and records. C.A. Botzum & Co.'s management is responsible for establishing and maintaining a system of internal control over compliance that has the objective of providing C.A. Botzum & Co. with reasonable assurance that non-compliance with 17 C.F.R. §240.15c3-1, 17 C.F.R. § 240.15c3-3, 17 C.F.R. § 240.17a-13, or Rule 2340 of the *Financial Industry Regulatory Authority* that requires account statements to be sent to the customers of C.A. Botzum & Co. will be prevented or detected on a timely basis. Our responsibility is to express an opinion on C.A. Botzum & Co.'s statements based on our examination.

We conducted our examination in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the examination to obtain reasonable assurance about whether C.A. Botzum & Co.'s internal control over compliance was effective as of and during the most recent fiscal year ending December 31, 2014; C.A. Botzum & Co. complied with 17 C.F.R. §§ 240.15c3-1 and 240.15c3-3(e) as of December 31, 2014; and the information used to assert compliance with 17 C.F.R. §§ 240.15c3-1 and 240.15c3-3(e) as of December 31, 2014 was derived from C.A. Botzum & Co.'s books and records. Our examination includes testing and evaluating the design and operating effectiveness of internal control over compliance, testing and evaluating C.A. Botzum & Co.'s compliance with 17 C.F.R. §§ 240.15c3-1 and 240.15c3-3(e), determining whether the information used to assert compliance with 240.15c3-1 and 240.15c3-3(e) was derived from C.A. Botzum & Co.'s books and records, and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, C.A. Botzum & Co.'s statements referred to above are fairly stated, in all material respects.


Breard & Associates, Inc.
Certified Public Accountants

Northridge, California
March 13, 2015

C A Botzum & Co.
 453 S Orange St
 Orange CA 92866
 714 771 6977

Statement of Assertions Regarding Compliance

C A Botzum & Co.

We, as members of management of [REDACTED] ("the Company"), are responsible for compliance with the annual reporting requirements under Rule 17a-5 of the Securities Exchange Act of 1934. Those requirements compel a broker or dealer to file annual reports with the Securities Exchange Commission (SEC) and the broker or dealer's designated examining authority (DEA). One of the reports to be included in the annual filing is a compliance report prepared by an independent public accountant based upon an examination of assertions provided by the broker or dealer. Pursuant to that requirement, the management of the Company hereby makes the following assertions:

Assertions Regarding Compliance:

- a) The Company's system of Internal Control Over Compliance was effective throughout the entire period ending ~~June 30, 2014 through October 31, 2014~~ Dec 31-2013 thru Dec 31-2014
- b) The Company's system of Internal Control Over Compliance was effective as of the end of the most recent fiscal year ending ~~October 31, 2014~~ Dec- 31-2014
- c) The broker/dealer was in compliance with 17 C.F.R. §240.15c3-1 (the "net capital rule") and §240.15c3-3(e) (the "reserve requirements rule") as of the end of the most recent fiscal year ending ~~October 31, 2014~~ and December 31 2014
- d) The information the broker/dealer used to state whether it was in compliance with the net capital rule and the reserve requirements rule was derived from the books and records of the broker/dealer.



C A Botzum & Co.
 Pres
 Charles A Botzum III